

CHAPTER – 4

DETERMINATION OF RETAIL SUPPLY TARIFF FOR FY20

4.0 Revision of Retail Supply Tariff for FY20-HUKERI RECS's Proposals and Commission's Decisions:

4.1 Tariff Application

As per the Tariff application filed by the HRECS, it has projected an unmet gap in revenue of Rs.2331.06 lakhs for FY20, which also includes revenue gap of Rs.1782.41 lakhs of FY18. In order to bridge this gap in revenue, HRECS has proposed a uniform tariff increase of 113 paise per unit, in respect of all the categories of consumers as against the requirement of 69 paise per unit.

In the previous chapters of this Order, the process of Annual Performance Review (APR) for FY18 and the approval of ARR for FY20-22 has been discussed. The various aspects of determination of tariff for FY20 are discussed in this Chapter.

4.2 Statutory Provisions guiding determination of Tariff

As per Section 61 of the Electricity Act, 2003, the Commission is guided inter-alia, by the National Electricity Policy, the Tariff Policy and the following factors, while, determining the tariff so that,

- the distribution and supply of electricity are conducted on commercial basis;
- competition, efficiency, economical use of resources, good performance, and optimum investment are encouraged;
- the tariff progressively reflects the cost of supply of electricity, and also reduces and eliminates cross subsidies within the period to be specified by the Commission;
- efficiency in performance is to be rewarded; and
- a multi-year tariff framework is adopted.

Section 62(5) of the Electricity Act, 2003, read with Section 27(1) of the Karnataka Electricity Reform Act, 1999, empowers the Commission to specify, from time to

time, the methodologies and the procedure to be observed by the licensees in calculating the Expected Revenue from Charges (ERC). The Commission determines the Tariff in accordance with the Regulations and the Orders issued by the Commission from time to time.

4.3 Factors Considered for Tariff setting:

The Commission has considered the following relevant factors for determination of retail supply tariff:

a) Tariff Philosophy:

As discussed in the earlier tariff orders, the Commission continues to fix tariff below the average cost of supply in respect of consumers whose ability to pay is considered inadequate and also fix tariff at or above the average cost of supply for categories of consumers whose ability to pay is considered to be higher. Thus, the system of cross subsidy continues. However, the Commission has taken due care to progressively bring down the cross subsidy levels as envisaged in the Tariff Policy, 2016, issued by the Government of India.

b) Average Cost of Supply:

The Commission has been determining the retail supply tariff on the basis of the average cost of supply. The KERC (Tariff) Regulations, 2000, as amended from time to time, require the licensees to provide the details of embedded cost of electricity voltage / consumer category-wise. The distribution network of Karnataka is such that, it is difficult to segregate the common cost between voltage levels. Therefore, the Commission has decided to continue the average cost of supply approach for recovery of the ARR. With regard to the indication of voltage- wise cross subsidy with reference to the voltage-wise cost of supply, the same is indicated in the Annexure to this Order.

c) **Differential Tariff:**

The Commission has been determining differential retail supply tariff for consumers in urban and rural areas, beginning with its Tariff Order, dated 25th November, 2009. The Commission decides to continue the same in the present Order also as the reasons cited for approach continue even now.

4.4 New Tariff Proposals:

(i) Special Incentive Scheme to HT/EHT Industrial Consumers

ESCOM's Proposal:

BESCOM, MESCOM and CESC in their Tariff applications have proposed certain modification to the Special Incentive Scheme approved by the Commission in the Tariff Order 2018 dated 14.05.2018. They have proposed to fix the base consumption for overall consumption for the month (average of 12 months), instead of 10.00 hours to 18.00 hours and extension of rebate of Re.1 per unit for the entire consumption over and above the base consumption and the applicability of the Special Incentive Scheme be restricted to its embedded consumer only.

The Commission after careful consideration of the submission made by some of the ESCOMs, decides to continue the Special Incentive Scheme as approved in the Tariff Order,2018 dated 14.05.2018 for FY20 also and the Special Incentive benefit is also extended for the OA consumer who consumed energy from the ESCOMs / Hukeri RECS by limiting the benefit to the energy drawn from the ESCOMs/ Hukeri RECS only. The Commission also directs Hukeri RECS to take up an intensive campaign to encourage more industrial consumer to opt for the scheme.

(ii) Tariff classification required for Religious Institutions under HT category:

MESCOM, in its filing has stated that, there is no specific tariff classification for the religious institutions serviced under HT category. In the absence of clear categorisation in the Tariff Order, the field officers are classifying these

installations belonging to temples, churches and other religious institutions either under HT-2b category or HT-4 category.

Further, MESCOM has stated that under LT category, such installations are classified under LT-2(a) – Domestic category and requested the Commission to classify such of the installations under HT-4 tariff, which is being applied to residential installations.

Commission's Analysis and decisions:

The Commission notes the request made by the MESCOM in classifying the religious institutions serviced under HT category under HT-4 tariff schedule in line with the applicability of LT2(a) Domestic tariff under LT category.

The Commission notes that, the power supply availed under LT category by Temples, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious / Charitable Institution for lighting / combined lighting, heating and motive power are categorised under LT-2(a) tariff schedule. The Commission, by considering the same, decides that, the power supply availed by these institutions for religious activities under HT category, shall be categorised and billed under HT-4 tariff schedule for the electricity consumed from the first meter reading date falling on or after 1st April, 2019, in Hukeri RECS distribution area. However, if these institutions use the power from such installations for Kalyan Mantapas / Marriage hall, Restaurant or any other commercial activities, which is not related to religious activities, by complying the conditions as indicated under HT-4 tariff schedule, such power consumption shall be billed under LT-3 / HT-2(b) tariff schedule (only energy charges) duly deducting such consumption in the main HT supply bill. No reduction in the recorded demand of the main HT meter is allowed.

4.5 Revenue at existing tariff and deficit for FY20:

The Commission in its preceding Chapters has decided to carry forward the gap in revenue of Rs.1595.24 lakhs of FY18 to the ARR of FY20. The gap in

revenue for FY20 is proposed to be filled up by revision of Retail Supply Tariff, as discussed in the following paragraphs of this Chapter.

Considering the approved ARR for FY20 and the revenue as per the existing tariff, the gap in revenue for FY20 is as follows:

Revenue Deficit for FY20

Particulars	Rs. in Lakhs
	Amount
Approved Net ARR for FY20 including gap of FY18	17679.57
Revenue at existing tariff	17139.63
(-) Deficit	-539.94
Additional Revenue to be realised by Revision of Tariff	539.94

Accordingly, in this Chapter, the Commission has proceeded to determine the Revised Retail Supply Tariff for FY20. The category-wise tariff as existing, as proposed by HUKERI RECS and as approved by the Commission are as follows:

1. LT-1 Bhagya Jyothi:

The existing tariff and the tariff proposed by HUKERI RECS are given below:

Sl. No.	Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
1	Energy charges (including recovery towards service main charges)	634 Paise / Unit Subject to a monthly minimum of Rs.40 per installation per month.	736 Paise / Unit Subject to a monthly minimum of Rs.40 per installation per month.

Commission's Views/ Decision:

The Government of Karnataka has continued its policy of providing free power to all BJ/KJ consumers with a single outlet, whose consumption is not more than 40 units per month, vide Government Order No. EN12 PSR 2017 dated 20th March, 2017. Based on the present average cost of supply, the tariff payable by these BJ/KJ consumers is revised to Rs.6.09 per unit.

Further, the HRECS have to claim subsidy for only those consumers who consume 40 units or less per month per installation. If the consumption exceeds 40 units per month or if any BJ/KJ installation is found to have more than one out-let, it shall be billed as per the Tariff Schedule LT 2(a).

Accordingly, Commission determines the tariff (CDT) in respect of BJ / KJ installations as follows:

LT – 1 Approved Tariff for BJ / KJ installations

Commission determined Tariff	Retail Supply Tariff determined by the Commission
609 paise per unit, Subject to a monthly minimum of Rs.45 per installation per month.	-Nil- Fully subsidized by GoK

***Since GOK is meeting the full cost of supply to BJ / KJ installations, the Tariff payable by these Consumers is shown as nil. However, if the GOK does not release the subsidy in advance, a Tariff of Rs.6.09 per unit subject to a monthly minimum of Rs.45 per installation per month, shall be demanded and collected from these consumers.**

2. LT2 - Domestic Consumers:

HUKERI RECS's Proposal:

The details of the existing and proposed tariff under this category are given in the following Table:

**Proposed Tariff for LT-2 (a)
LT-2 a (i) Domestic Consumers Category
Applicable to areas coming under City Municipal Corporations and all Urban
Local Bodies**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	For the first KW Rs.50	For the first KW Rs.50
	For every additional KW Rs.60	For every additional KW Rs.60
Energy Charges 0-30 units (life line Consumption)	0 to 30 units:345 paise / unit	0 to 30 units: 458 paise/unit
Energy Charges exceeding 30 units per month	31 to 100 units:495 paise / unit	31 to 100 units: 608 paise / unit
	101 to 200 units:650 paise /unit	101 to 200 units:763 paise /unit
	Above 200 units:755 paise/unit	Above 200 units:868 paise /unit

**LT-2(a)(ii) Domestic Consumers Category
Applicable to Areas under Village Panchayats**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	For the first KW Rs.35	For the first KW Rs.35
	For every additional KW Rs.50	For every additional KW Rs.50
Energy Charges 0-30 units (life line Consumption)	Upto 30 units:335 paise/ unit	0 to 30 units:448 paise/unit
Energy Charges exceeding 30 Units per month	31 to 100 units:465 paise/ unit	31 to 100 units:578 paise/ unit
	101 to 200 units:620 paise/unit	101 to 200 units: 733 paise/unit
	Above 200 units: 705 paise/unit	Above 200 units:818 paise/unit

Commission's decision:

As in the previous Tariff Order, the Commission decides to continue with the two tier tariff structure in respect of the domestic consumers as shown below:

- (i) Areas coming under City Municipal Corporations and all Urban Local Bodies.
- (ii) Areas under Village Panchayats.

The Commission approves the tariff for this category as follows:

Approved Tariff for LT 2 (a) (i) Domestic Consumers Category:

Applicable to Areas coming under City Municipal Corporations and all Urban Local Bodies

Details	Tariff approved by the Commission
Fixed charges per Month	For the first KW: Rs.60/-
	For every additional KW Rs.70/-
Energy Charges upto 30 units per month (0-30 units)- life line consumption.	Upto 30 units:370 paise/unit
Energy Charges in case the consumption exceeds 30 units per month	31 to 100 units: 520 paise/unit
	101 to 200 units: 675 paise/unit
	Above 200 units: 780 paise/unit

**Approved Tariff for LT-2(a) (ii) Domestic Consumers Category:
Applicable to Areas under Village Panchayats**

Details	Tariff approved by the Commission
Fixed Charges per Month	For the first KW: Rs.45 /-
	For every additional KW Rs.60/-
Energy Charges upto 30 units per month (0-30 Units)- Lifeline Consumption	Upto 30 units: 360 paise/unit
Energy Charges in case the consumption exceeds 30 units per month	31 to 100 units: 490 paise/unit
	101 to 200 units: 645 paise/unit
	Above 200 units:730 paise/ unit

**LT2 (b) Private and Professional Educational Institutions, Private Hospitals and
Nursing Homes:**

HUKERI RECS's Proposal:

The details of the existing and the proposed tariff under this category are given in the following Table:

**LT 2 (b) (i)Applicable to areas under City Municipal Corporations Areas and all
Urban Local Bodies**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.65 Per KW subject to a minimum of Rs.90 per month	Rs.65 Per KW subject to a minimum of Rs.90 per month
Energy Charges	For the first 200 units: 670 paise per unit	For the first 200 units : 783 paise per unit
	Above 200 units: 795 paise per unit	For the balance units : 908 paise per unit

LT 2 (b)(ii) Applicable to Areas under Village Panchayats

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.55 per KW subject to a minimum of Rs.75 per Month	Rs.55 per KW subject to a minimum of Rs.75 per Month
Energy Charges	For the first 200 units: 615 paise per unit	For the first 200 units:728 paise per unit
	Above 200 units: 740 paise per unit	For the balance units:853 paise per unit

Commission's decision:

As in the previous Tariff Order, the Commission decides to continue the two tier tariff structure as follows:

- (i) Areas coming under City Municipal Corporation and all urban local bodies.
- (ii) Areas under Village Panchayats.

Approved Tariff for LT 2 (b) (i)**Private Professional and other private Educational Institutions, Private Hospitals and Nursing Homes****Applicable to areas under City Municipal Corporations and all other urban Local Bodies.**

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.75 per KW subject to a minimum of Rs.100 per Month
Energy Charges	0-200 units: 690 paise/unit
	Above 200 units: 815 paise/unit

Approved Tariff for LT 2 (b) (ii)**Private Professional and other private Educational Institutions, Private Hospitals and Nursing Homes****Applicable to Areas under Village Panchayats**

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.65 per KW subject to a minimum of Rs.85 per Month
Energy Charges	0-200 units: 635 paise/unit
	Above 200 units: 760 paise/unit

3. LT3- Commercial Lighting, Heating & Motive Power:**HUKERI RECS's Proposal:**

The existing and proposed tariffs are as follows:

LT- 3 (i) Commercial Lighting, Heating & Motive Power**Applicable to Areas coming under City Municipal Corporation and urban local bodies**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.70 per KW	Rs.70 per KW
Energy Charges	For the first 50 units:775 paise per unit	For the first 50 units:888 paise per unit
	For the balance units:875 paise per unit	For the balance units: 988 paise per unit

Demand based tariff (optional) where sanctioned load is above 5 KW but below 50 KW.

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges	Rs.85 per KW	Rs.85 per KW
Energy Charges	For the first 50 units:775 paise per unit	For the first 50 units:888 paise per unit
	For the balance units:875 paise per unit	For the balance units:988 paise per unit

**LT-3 (ii) Commercial Lighting, Heating & Motive
Applicable to areas under Village Panchayats**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.60 per KW	Rs.60 per KW
Energy Charges	For the first 50 units: 725 paise per unit	For the first 50 units: 838 paise per unit
	For the balance units: 825 paise per unit	For the balance units: 938 paise per unit

Demand based tariff (optional) where sanctioned load is above 5 KW but below 50 KW

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.75 per KW	Rs.75 per KW
Energy Charges	For the first 50 units: 725 paise per unit	For the first 50 units: 838 paise per unit
	For the balance units: 825 paise per unit	For the balance units: 938 paise per unit

Commission's Views/ Decision:

As in the previous Tariff Order, the Commission decides to continue with the two tier tariff structure as below:

- (i) Areas coming under City Municipal Corporations and other urban local bodies.
- (ii) Areas under Village Panchayats.

**Approved Tariff for LT- 3 (i) Commercial Lighting, Heating & Motive
Applicable to areas under City Municipal Corporations and other Urban Local
Bodies**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.80 per KW
Energy Charges	For the first 50 units: 800 paise/ unit
	For the balance units: 900 paise/unit

**Approved Tariff for Demand based tariff (Optional) where sanctioned load is
above 5 kW but below 50 kW**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.95 per KW
Energy Charges	For the first 50 units: 800 paise /unit
	For the balance units: 900 paise/unit

**Approved Tariff forLT-3 (ii) Commercial Lighting, Heating and Motive
Applicable to areas under Village Panchayats**

Details	Tariff Approved by the Commission
Fixed charges per Month	Rs. 70 per KW
Energy Charges	For the first 50 units: 750 paise per unit
	For the balance units: 850 paise per unit

**Approved Tariff for Demand based tariff (Optional)where sanctioned load is
above 5 kW but below 50 kW**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.85 per KW
Energy Charges	For the first 50 units: 750 paise per unit
	For the balance units: 850 paise per unit

4. LT4-Irrigation Pump Sets:

HUKERI RECS's Proposal:

The existing and proposed tariff for LT4 (a) are as follows:

LT-4 (a) Irrigation Pump Sets

Applicable to IP sets up to and inclusive of 10 HP

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Nil	Nil
Energy charges	CDT 605 paise per unit	CDT 718 paise per unit

Commission's Decision

The Government of Karnataka has extended free supply of power to farmers as per the Government Order No. EN 55 PSR 2008 dated 04.09.2008. As per this policy of GoK, the entire cost of supply to IP sets upto and inclusive of 10 HP is being borne by the GoK through tariff subsidy. In view of this, all the consumers under the existing LT-4(a) tariff are covered under free supply of power.

Considering the cross subsidy contribution from categories other than IP Sets and BJ/KJ Categories, the Commission determines the tariff for IP Sets under LT4(a) category as follows:

Approved CDT for IP Sets for FY20

Particulars	HUKERI RECS
Approved ARR in Rs. Lakhs	17679.57
Revenue from other than IP & BJ/KJ installations in Rs. Lakhs	4745.59
Amount to be recovered from IP & BJ/KJ installations in Rs. Lakhs	12933.98
Approved Sales to BJ/KJ installations in MU	3.425
Revenue from BJ/KJ installations at Average Cost of supply in Rs. Lakhs	208.58
Amount to be recovered from IP Sets category in Rs. Lakhs	12725.40
Approved Sale to IP Sets in MU	212.09
Commission Determined Tariff (CDT) for IP set Category for FY20 in Rs/Unit	6.00

Accordingly, the Commission decides to approve tariff of **Rs.6.00 per unit** as CDT for FY20 for IP Set category under LT4 (a). In case the GoK does not release the subsidy in advance, the tariff of **Rs.6.00 per unit** shall be demanded and collected from these consumers.

Approved by the Commission LT-4 (a) Irrigation Pump Sets Applicable to IP sets up to and inclusive of 10 HP

Details	Tariff Approved by the Commission
Fixed charges per Month Energy charges	Nil*
CDT (Commission Determined Tariff): 600 paise per unit	

** In case the GoK does not release the subsidy in advance, a tariff of Rs.6.00 per unit shall be demanded and collected from these consumers.*

The Commission has been issuing directives to ESCOMs including HRECs for conducting Energy Audit at the Distribution Transformer Centre (DTC)/feeder level for proper assessment of distribution losses and to enable detection and prevention of commercial loss. In view of completion of the reasonable progress in implementation of feeder segregation under NJY scheme, the ESCOMs including HRECs were also directed to submit IP set consumption on the basis of the meter readings of the 11 kV feeders at the substation level duly deducting the energy losses in 11kV lines, distribution transformers & LT lines, in order to compute the consumption of power by IP sets accurately. Further, in the Tariff Order 2016, the ESCOMs including HRECs were also directed to take up enumeration of IP sets, 11 KV feeder-wise by capturing the GPS co-ordinates of each live IP set in their jurisdiction. In this regard, the Commission has noted that the HRECs has partly complied with these directions and have initiated measures to achieve full compliance. The HRECs need to ensure early full compliance as this has direct impact on their revenues and tariff payable by other categories of consumers.

The Government of Karnataka vide its letter dated 15.02.2019 has informed the Commission that, for FY20, an amount of Rs. 11,250.00 Crores is available for the subsidized supply to BJ/KJ and IP sets installations, and that there is no change in the Policy of the Government in the matter of free supply to BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP and below. It is further informed that, this amount is required to be considered in determination of retail supply tariff by the Commission for FY20. It is also informed that the tariff subsidy beyond the allocated subsidy amount in the budget is not available.

The Commission notes that, as per the provisions of the Electricity Act, 2003 and the Policy of the State Government to supply free power to BJ/KJ installations (consuming up to 40 Units per month) and IP Sets installations having sanctioned load of 10 HP and below, the Government has to fully meet the cost of such subsidized supply. The Commission makes it clear that any shortfall in subsidy cannot be passed on to the other consumers, who are already paying tariffs

with high level of cross subsidies and any increase on such higher tariff of other consumers would correspondingly increase the cross subsidy levels, which would be against the provisions of the Electricity Act and the Tariff Policy, that emphasize gradual reduction in cross subsidy at a level not exceeding plus or minus 20% of the cost of supply.

Under the circumstances, the Commission directs the ESCOMs including Hukeri RECS as follows:

The ESCOMs including HRECS, shall manage supply of power to the IP sets during FY20, so as to ensure that it is within the quantum of subsidy committed by the GoK. While doing so, they shall procure power proportionate to such supply. In case the ESCOMs including HRECS choose to supply power to the IP sets in excess of the quantum proportionate to the amount of subsidy available from the GoK for FY20, the difference in the amount of subsidy relating to such supply shall be claimed from the GoK. If the difference in subsidy is not paid by the GoK, the same shall be collected from the IP set consumers.

LT4 (b) Irrigation Pump Sets above 10 HP:

HUKERI RECS's Proposal

The Existing and proposed tariff for LT-4(b) category are as follows:

LT-4 (b) Irrigation Pump Sets: Applicable to IP Sets above 10 HP

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.60 per HP	Rs.60 per HP
Energy charges for the entire consumption	325 paise per unit	438 paise per unit

The existing and proposed tariff for LT4(c) are as follows:

LT-4 (c) Tariff category:

LT-4 (c) (i) - Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations up to & inclusive of 10 HP

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.50 per HP	Rs.50 per HP
Energy charges for the entire consumption	325 paise per unit	438 paise per unit

LT-4 (c) (ii) - Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations above 10 HP

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.60 per HP	Rs.60 per HP
Energy charges for the entire consumption	325 paise per unit	438 paise per unit

Approved Tariff:

The Commission decides to revise the tariff in respect of these categories as shown below:

**LT-4 (b) Irrigation Pump Sets:
Applicable to IP Sets above 10 HP**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.70 per HP
Energy charges for the entire consumption	350 paise/unit

The existing and proposed tariff for LT4(c) is as follows:

**LT4(c) (i) - Applicable to Horticultural Nurseries,
Coffee, Tea & Rubber plantations up to & inclusive of 10 HP**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.60 per HP
Energy charges	350 paise / unit

LT4 (c)(ii) - Applicable to Horticultural Nurseries, Coffee, Tea & Rubber plantations above 10 HP

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.70 per HP
Energy charges	350 paise/unit

5. LT5 Installations-LT Industries:

HUKERI RECS's Proposal:

The existing and proposed tariffs under this category are given below:

LT-5 (a) LT Industries:

Applicable to areas under City Municipal Corporation

i) Fixed charges

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	i) Rs. 45 per HP for 5 HP & below ii) Rs. 50 per HP for above 5 HP & below 40 HP iii) Rs. 70 per HP for 40 HP & above but below 67 HP iv)Rs. 130 per HP for 67 HP & above	NA

Demand based Tariff (Optional)

Details	Description	Existing Tariff as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.65 per KW of billing demand	NA
	40 HP and above but less than 67 HP	Rs.95 per KW of billing demand	
	67 HP and above	Rs.180 per KW of billing demand	

ii) Energy Charges

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
For the first 500 units	530 paise per unit	NA
For next 500 units	625 paise per unit	
For the balance unit	655 paise per unit	

LT-5 (b) LT Industries:**Applicable to all areas other than those covered under LT-5(a)****i) Fixed charges**

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	i)Rs.40 per HP for 5 HP & below ii) Rs.45 per HP for above 5 HP & below 40 HP iii) Rs.65 per HP for 40 HP & above but below 67 HP iv)Rs.120 per HP for 67 HP & above	i) Rs.40 per HP for 5 HP & below ii) Rs.45 per HP for above 5 HP & below 40 HP iii) Rs.65 per HP for 40 HP & above but below 67 HP iv)Rs.120 per HP for 67 HP & above

Demand based Tariff (optional)

Details	Description	Existing Tariff as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.60 per KW of billing demand	Rs.60 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.90 per KW of billing demand	Rs.90 per KW of billing demand
	67 HP and above	Rs.170 per KW of billing demand	Rs.170 per KW of billing demand

ii) Energy Charges

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
For the first 500 units	520 paise per unit	633 paise/ unit
For the next 500 units	610 paise per unit	723 paise/ unit
For the balance units	640 paise per unit	753 paise/ unit

Existing ToD Tariff for LT5 (a) & (b): At the option of the consumers**ToD Tariff**

Time of Day	Increase (+)/ reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 hrs	0
18.00 Hrs to 22.00 Hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Proposed ToD Tariff for LT5 (a) & (b): At the option of the consumers**ToD Tariff**

Time of Day	Increase (+)/ reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 hrs	0
18.00 Hrs to 22.00 Hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Commission's Decision:**Time of the Day Tariff:**

The decision of the Commission in its earlier Tariff Orders, providing for mandatory Time of Day Tariff for HT2(a), HT2(b) and HT2(c) consumers with a contract demand of 500 KVA and above is continued. The existing optional ToD will continue for HT2(a), HT2(b) and HT2(c) consumers with contract demand of less than 500 KVA. Further, for LT5 and HT1 consumers, the existing optional ToD is continued.

The Commission decides to continue with two tier tariff structure introduced in the previous Tariff Orders, which are as follows:

- i) LT5 (a): For areas falling under City Municipal Corporations
- ii) LT5 (b): For areas other than those covered under LT5 (a) above.

Approved Tariff:

The Commission approves the tariff under LT 5 (a) and LT 5 (b) categories as given below:

Approved Tariff for LT 5 (a):**Applicable to areas under City Municipal Corporations****i) Fixed charges**

Details	Tariff approved by the Commission
Fixed Charges per Month	i) Rs.55 per HP for 5 HP & below ii) Rs. 60 per HP for above 5 HP & below 40 HP iii) Rs.80 per HP for 40 HP & above but below 67 HP iv) Rs.140 per HP for 67 HP & above

Demand based Tariff (optional)

Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.75 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.105 per KW of billing demand
	67 HP and above	Rs.190 per KW of billing demand

ii) Energy Charges

Details	Tariff approved by the Commission
For the first 500 units	545 paise/unit
For the next 500 units	645 paise/ unit
For the balance units	675 paise/ unit

Approved Tariff for LT 5 (b):**Applicable to all areas other than those covered under LT-5(a)****i) Fixed charges**

Details	Tariff approved by the Commission
Fixed Charges per Month	i) Rs.45 per HP for 5 HP & below ii) Rs.55 per HP for above 5 HP & below 40 HP iii) Rs.75 per HP for 40 HP & above but below 67 HP iv)Rs.125 per HP for 67 HP & above

ii) Demand based Tariff (optional)

Details	Description	Tariff approved by the Commission
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.70 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.100 per KW of billing demand
	67 HP and above	Rs.180 per KW of billing demand

iii) Energy Charges

Details	Tariff approved by the Commission
For the first 500 units	535 paise/ unit
For the next 500 units	630 paise/ unit
For the balance units	660 paise/unit

As discussed earlier in this Chapter, the approved ToD Tariff for LT5 (a) & (b): At the option of the consumers

ToD Tariff

Time of Day	Increase (+)/ reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

6. LT6 Water Supply Installations and Street Lights:

HUKERI RECS's Proposal:

The existing and the proposed tariffs are given below:

LT-6(a) : Water Supply

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.65/HP/month	Rs.65/HP/month
Energy charges	440 paise/unit	553 paise/unit

LT-6 (b) : Public Lighting

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.80/KW/month	Rs.80/KW/month
Energy charges without LED bulbs	605 paise/unit	718 paise/unit
Energy charges for LED / Induction	505 paise/unit	618 paise/unit

LT-6(c) Electric Vehicle Charging Stations for both LT & HT

Details		Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Under LT Supply	Fixed charges per KW	Rs.50 /KW/month	Not Proposed
Under HT Supply	DC per KVA	Rs.180 /KW/month	
	Energy charges per KWH for both LT & HT)	485 paise/unit	

Commission's Decision:

The Commission approves the tariff for these categories as follows:

Tariff Approved by the Commission for LT-6 (a): Water supply

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.75 /HP/month
Energy charges	460 paise/unit

Tariff Approved by the Commission for LT-6 (b): Public Lighting

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.90 /KW/month
Energy charges	625 paise/unit
Energy charges for LED / Induction Lighting	525 paise/unit

Tariff Approved by the Commission for LT-6 (c) – Electric Vehicle Charging Stations

Details		Tariff approved by the Commission
Under LT Supply	Fixed charges per KW	Rs.60 /KW/month
Under HT Supply	DC per KVA	Rs.190 /KW/month
	Energy charges per KWH for both LT & HT)	500 paise/unit

7. LT 7- Temporary Supply & Permanent supply to Advertising Hoardings:**HUKERI RECS's Proposal:**

The existing rate and the proposed rate are given below:

Tariff Schedule LT-7(a)

Applicable to Temporary power Supply for all purposes.

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Less than 67 HP:	Energy charge at 1030 paise per unit subject to a weekly minimum of Rs.200 per KW of the sanctioned load.	Energy charge at 1143 paise per unit subject to a weekly minimum of Rs.200 per KW of the sanctioned load.

TARIFF SCHEDULE LT-7(b)

Applicable to power supply to Hoardings & Advertisement boards on Permanent connection basis

Details	Existing as per 2018 Tariff Order	Proposed by HUKERI RECS
Less than 67 HP:	Fixed Charge Rs.75 per KW/ month of the sanctioned load	Fixed Charge Rs.75 per KW/ month of the sanctioned load
	Energy charge at 1030 paise per unit	Energy charge at 1143 paise per unit

Commission's decision

As decided in the previous Tariff Order, the tariff specified for installations with sanctioned load / contract demand above 67 HP shall continue to be covered under the HT temporary tariff category under HT5.

With this, the Commission decides to approve the tariff for LT-7 category as follows:

TARIFF SCHEDULE LT-7(a)

Applicable to Temporary Power Supply for all purposes.

LT 7(a)	Details	Tariff approved by the Commission
Temporary Power Supply for all purposes.	Less than 67 HP:	Energy charges at 1060 paise / unit subject to a weekly minimum of Rs.210 per KW of the sanctioned load.

TARIFF SCHEDULE LT-7(b)

Applicable to Hoardings & Advertisement boards, Bus Shelters with Advertising Boards, Private Advertising Posts / Sign boards in the interest of public such as Police Canopy Direction boards, and other sign boards sponsored by Private Advertising Agencies / firms on permanent connection basis.

LT 7(b)	Details	Tariff approved by the Commission
Power supply on permanent connection basis	Less than 67 HP:	Fixed Charges at Rs.85 per KW / month
		Energy charges at 1060 paise / unit

H.T. Categories:

Time of Day Tariff (ToD)

The Commission decides to continue the mandatory Time of Day Tariff for HT2 (a), HT-2(b) and HT2(c) consumers with a contract demand of 500 KVA and above. Further, the optional ToD will continue as existing for HT2 (a), HT-2(b) and HT2 (c) consumers with contract demand of less than 500 KVA. The details of ToD tariff are indicated under the respective tariff category.

The increase in billing demand to 85% of the CD, is hereby continued for billing of all the HT installations.

8. HT1- Water Supply & Sewerage

HUKERI RECS's Proposal:

The existing and proposed tariff are as given below:

The Existing and the proposed tariff – HT-1 Water Supply and Sewerage Installations

Details	Existing tariff as per 2018 Tariff Order	Proposed Tariffs by HUKERI RECS
Demand charges	Rs.200 / kVA of billing demand / month	Rs.200 / kVA for billing demand / month
Energy charges	500 paise per unit	613 paise per unit

Existing ToD tariff to HT-1 tariff to Water Supply & Sewerage installations at the option of the consumer

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Proposed ToD Tariff to HT-1 category:

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Commission's decision:

As discussed earlier in this Chapter, the Commission approves the tariff for HT 1 **Water Supply & Sewerage category as below:**

Details	Tariff approved by the Commission for HT 1
Demand charges	Rs.210 / kVA of billing demand / month
Energy charges	520 paise/ unit

As discussed earlier in this Chapter, the approved ToD tariff to HT-1 tariff to Water Supply & Sewerage installations at the option of the consumer is as follows

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs. to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-) 100 paise per unit

9. HT2 (a) – HT Industries**HUKERI RECS's Proposal:**

The existing and proposed tariff are as given below:

**HT – 2 (a) HT Industries
Applicable to all areas of HUKERI RECS**

Details	Existing tariff as per Tariff Order 2018	Proposed Tariff by HUKERI RECS
Demand charges	Rs. 200 / kVA of billing demand / month	Rs. 200 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	675 paise per unit	788 paise per unit
(ii) For the balance units	700 paise per unit	813 paise per unit

Tariff applicable to Railway traction

Details	Existing tariff as per Tariff order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 210 / kVA at billing demand / month	Rs. 210 / kVA of billing demand / month
Energy charges	600 paise per unit for all the units	713 paise per unit for all the units

Effluent Treatment Plants independently serviced outside the premises of any installation under both HT2(a)

Details	Existing tariff as per Tariff order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 210 / kVA of billing demand / month	Rs. 210 / kVA of billing demand / month
Energy charges	640 paise / unit for all the units	753 paise / unit for all the units

Existing ToD Tariff for HT-2(a)

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Proposed ToD Tariff for HT-2(a)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Commission's Decision:

Commission continues to allow billing of the electricity consumed by the Effluent Treatment Plants and Drainage Water Treatment plants from the main meter or by sub-meter, at the same respective tariff schedule as applicable to the installations for which the power supply is availed.

Approved Tariff for HT – 2 (a)

As discussed earlier in this chapter, the Commission approves the tariff for HT 2(a) category as below:

i) Approved Tariff for HT2(a)

Applicable to all areas under HUKERI RECS

Details	Tariff approved by the Commission
Demand charges	Rs.210 / kVA of billing demand / month
Energy charges	
For the first one lakh units	695 paise/ unit
For the balance units	720 paise/ unit

As discussed earlier in this Chapter, the approved ToD tariff to HT2(a) tariff.

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs. to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs	(-)100 paise per unit

Note: ToD Tariff is not applicable to Railway Traction installations.

i) Railway Traction under HT2(a)

Details	Tariff approved by the Commission
Demand charges	Rs. 220 / kVA of billing demand / month
Energy charges	620 paise / unit for all the units

The Commission, by considering the concessional tariff extended to the Railway traction, decides that Special Incentive Scheme and ToD tariff shall not be extended to the Railway traction installations.

ii) Effluent Treatment Plants independently serviced outside the premises of any installation under HT2(a)

Details	Tariff approved by the Commission
Demand charges	Rs.220 / kVA of billing demand / month
Energy charges	660 paise / unit for all the units

Note: The ToD tariff is applicable to these installations, if the New Special Incentive Scheme is not opted.

10. HT-2 (b) HT Commercial**HUKERI RECS's Proposal:**

The existing and proposed tariff are as given below:

Existing and proposed tariff HT – 2 (b) HT Commercial**Applicable to all areas of HUKERI RECS**

Details	Existing tariff as per Tariff Order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs.220 / kVA of billing demand / month	Rs.220 / kVA of billing demand / month
Energy charges		
(i) For the first two lakh units	845 paise per unit	958 paise per unit
(ii) For the balance units	855 paise per unit	968 paise per unit

Existing ToD Tariff for HT-2(b)

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Proposed ToD Tariff for HT-2(b)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Commission's Decision:

It is brought to the notices of the Commission that, the various activities listed under LT-3 (Commercial) tariff schedule are not specifically indicated under HT-2(b) tariff schedule, if the power is availed by these listed activities under HT supply. It is further noted that, as these listed activities are related to supply of

power under LT or HT to commercial use / services only and the non-inclusion of these activities under HT-2(b) tariff schedule has led to wrong application in the ESCOMs / Hukeri RECS. Therefore, the Commission decides to include all the activities listed under LT3 tariff schedule shall also be considered to be billed under HT2(b) tariff schedule by including the additional nomenclature – "all the activities listed under LT3 tariff schedule and not included under HT2(b) tariff schedule shall be classified and billed under HT-2(b), if they avail power under HT supply".

As discussed earlier in this chapter, the Commission approves the following tariff for HT 2 (b) consumers:

Approved tariff for HT – 2 (b) - HT Commercial - Applicable to all areas of HUKERI RECS

Details	Tariff approved by the Commission
Demand charges	Rs.230 / kVA of billing demand / month
Energy charges	
(i) For the first two lakh units	865 paise per unit
(ii) For the balance units	875 paise per unit

Approved ToD Tariff for HT-2(b)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs. to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-)100 paise per unit

11. HT – 2 (c) – Applicable to Hospitals and Educational Institutions:

The existing and proposed tariff are as follows:

Existing and proposed tariff for HT – 2 (c) (i)
Applicable to Government Hospitals & Hospitals run by Charitable Institutions & ESI Hospitals and
Universities, Educational Institutions belonging to Government, Local Bodies and Aided Educational Institutions and Hostels of all Educational Institutions.

Details	Existing tariff as per Tariff Order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs.200 / kVA of billing demand / month	Rs.200 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	660 paise per unit	773 paise per unit
(ii) For the balance units	700 paise per unit	813 paise per unit

Existing and proposed tariff for HT – 2 (c) (ii) –

Applicable to Hospitals and Educational Institutions other than those covered under HT2(c) (i)

Details	Existing tariff as per Tariff Order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 200 / kVA of billing demand / month	Rs. 200 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	760 paise per unit	873 paise per unit
(ii) For the balance units	800 paise per unit	913 paise per unit

Existing ToD Tariff for HT-2(c)(i) & (ii)

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Proposed ToD Tariff for HT-2 HT-2(c)(i) & (ii)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

Commission's Decision:

The Commission approves the following tariff for HT2(c) consumers.

Approved tariff for HT – 2 (c) (i)

Applicable to Government Hospitals, Hospitals run by Charitable Institutions, ESI Hospitals,

Universities and Educational Institutions belonging to Government & Local Bodies, Aided Educational Institutions and Hostels of all Educational Institutions

Details	Tariff approved by the Commission
Demand charges	Rs.210 / kVA of billing demand / month
Energy charges	
(i) For the first one lakh units	680 paise per unit
(ii) For the balance units	720 paise per unit

Approved tariff for HT – 2 (c) (ii)

Applicable to Hospitals/Educational Institutions other than those covered under HT2(c) (i)

Details	Tariff approved by the Commission
Demand charges	Rs.210 / kVA of billing demand / month
Energy charges	
(i) For the first one lakh units	780 paise per unit
(ii) For the balance units	820 paise per unit

As discussed earlier in this Chapter app

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs. to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-) 100 paise per unit

12. HT-3(a) Lift Irrigation Schemes under Government Departments / Government owned Corporations/ Lift Irrigation Schemes under Pvt./Societies:

The existing and proposed tariff are given below:

Existing and proposed tariff for HT – 3 (a) –Lift Irrigation Schemes

HT 3(a) (i) Applicable to LI Schemes under Government Departments / Government owned Corporations.

Details	Existing charges as per Tariff Order 2018	Proposed charges by HUKERI RECS
Energy charges/ Minimum charges	250 paise / unit Subject to an annual minimum of Rs.1360 per HP / annum	363 paise / unit Subject to an annual minimum of Rs. 1360 per HP / annum

HT 3(a) (ii) Applicable to Pvt. LI Schemes and Lift Irrigation Societies: fed through Express / Urban feeders.

Details	Existing Tariff as per Tariff Order 2018	Proposed by HUKERI RECS
Fixed charges	Rs. 60 / HP / Month of sanctioned load	Rs.60 / HP / Month of sanctioned load
Energy charges	250 paise / unit	363 paise / unit

HT 3(a) (iii) Applicable to Pvt. LI Schemes and Lift Irrigation Societies: other than those covered under HT-3 (a)(ii).

Details	Existing Tariff as per Tariff Order 2017	Proposed by HUKERI RECS
Fixed charges	Rs.40 / HP / Month of sanctioned load	Rs.40 / HP / Month of sanctioned load
Energy charges	250 paise / unit	363 paise / unit

Commission's Decision:

The Commission approves the following tariff for HT3(a) consumers:

**Approved tariff for HT 3 (a) (i)
Applicable to LI schemes under Govt. Dept. / Govt. owned Corporations**

Details	Tariff approved by the Commission
Energy charges / Minimum charges	275 paise/ unit subject to an annual minimum of Rs.1480 per HP / annum

Approved tariff for HT 3 (a) (ii)

Applicable to Private LI Schemes and Lift Irrigation Societies fed through express / urban feeders

Details	Tariff approved by the Commission
Fixed charges	Rs.70 / HP / Month of sanctioned load
Energy charges	275 paise / unit

Approved tariff for HT 3 (a) (iii)

Applicable to Private LI Schemes and Lift Irrigation Societies other than those covered under HT 3 (a) (ii)

Details	Tariff approved by the Commission
Fixed charges	Rs.50 / HP / Month of sanctioned load
Energy charges	275 paise / unit

13. HT3 (b) Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Coconut & Arecanut Plantations:

HUKERI RECS's Proposal:

The existing and the proposed tariff are given below:

HT3 (b)- Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Coconut & Arecanut Plantations:

Details	Existing Tariff Order 2018	Proposed tariff by HUKERI RECS
Energy charges / minimum charges	450 paise / unit subject to an annual minimum of Rs.1360 per HP of sanctioned load	563 paise / unit subject to an annual minimum of Rs.1360 per HP of sanctioned load

Commission's Decision:

The Commission approves the tariff for this category as indicated below:

Approved Tariff

HT3 (b)- Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Rubber, Coconut & Arecanut Plantations:

Details	Tariff approved by the Commission
Energy charges / minimum charges	475 paise / unit subject to an annual minimum of Rs.1480 per HP of sanctioned load

14. HT4- Residential Apartments/ Colonies:**HUKERI RECS's Proposal:**

The existing and the proposed tariff for this category are given below:

**Existing and proposed tariff for HT – 4 - Residential Apartments/ Colonies
HT – 4 Applicable to all areas.**

Details	Existing Tariff Order 2018	Tariff Proposed by HUKERI RECS
Demand charges	Rs.120 / kVA of billing demand	Rs.120 / kVA of billing demand
Energy charges	640 paise per unit	753 paise/ unit

Commission's Decision

As discussed earlier in this chapter, the Commission approves the tariff for this category as indicated below:

Approved tariff**HT – 4 Residential Apartments/ Colonies Applicable to all areas**

Details	Tariff approved by the Commission
Demand charges	Rs.130 / kVA of billing demand
Energy charges	665 paise/ unit

15. TARIFF SCHEDULE HT-5**HUKERI RECS's Proposal:**

The existing and the proposed tariffs are given below:

HT – 5 – Temporary supply

67 HP and above:	Existing	Proposed
Fixed charges / Demand Charges	Rs.250/HP/month for the entire sanction load / contract demand	Rs.250/HP/month for the entire sanction load / contract demand
Energy Charge	1030 paise / unit	1143 paise / unit

Commission's Views/Decisions:

The approved tariff in respect of HT-5 is as follows:

TARIFF SCHEDULE HT-5

As approved in the Commission's Tariff Order dated 6th May, 2013, this Tariff is applicable to 67 HP and above hoardings and advertisement boards and construction power for industries excluding those categories of consumers covered under HT2(b) Tariff schedule availing power supply for construction power for irrigation and power projects and is also applicable to power supply availed on temporary basis with the contract demand of 67 HP and above of all categories.

Approved Tariff for HT – 5 – Temporary supply

67 HP and above:	Tariff approved by the Commission
Fixed Charges / Demand Charges	Rs.260 /HP/month for the entire sanction load / contract demand
Energy Charges	1060 paise / unit

The Approved Tariff schedule for FY19 is enclosed in **Annexure – 4** of this Order.

4.6 Wheeling charges

HRECS in their Tariff Petition had not submitted the details of wheeling charges & cross subsidy surcharge applicable for FY-20. Hence, the Commission had directed HRECS to submit the same. Hukeri RECS in their replies has stated that there are no consumers availing Open Access/ wheeling of electricity at 11 KV level and that the Hon'ble Commission is determining the wheeling charges & cross subsidy surcharge on the basis of the same formula as applied to HESCOM for segregating the ARR between distribution business and retail supply business. Therefore, HRECS has submitted that the same may be followed for FY-20 also.

The Commission has noted the replies furnished by HRECS. Since HRECS has not proposed wheeling charges and has also not provided the segregation of cost between distribution and retail supply business, the Commission has segregated the ARR between distribution business and retail supply business in the same proportion as in HESCOM. Further, the allocation of loss is based on the energy flow diagram furnished for FY20 by HRECS. As such the wheeling charges for HRECS is as indicated below:

4.6.1 Wheeling within HUKERI RECS Area:

The wheeling charges to each voltage level are worked out as under:

	Paise/unit
HT-network	25.30
LT-network	59.03

In addition to the above, the following technical losses are applicable to all open access/wheeling transactions:

Loss allocation	% loss
HT	5.81
LT	7.22

Note: Total loss is allocated to HT, LT & Commercial loss based on energy flow diagram furnished by HUKERI RECS.

The actual wheeling charges payable (after rounding off) will depend upon the point of injection & point of drawal as under:

Injection point →	HT	LT
Drawal point ↓		
HT	25(5.81%)	84(13.03%)
LT	84(13.03%)	59(7.22%)

Note: Figures in brackets are applicable losses

The wheeling charges as determined above are applicable to all the open access or wheeling transactions for using the HRECS network, except for energy transmitted or wheeled from Renewable sources to the consumers within the State.

4.6.2 Wheeling of Energy Using Transmission Network or Network of more than one Licensee**4.6.3 In case the wheeling of energy [other than RE sources wheeling to consumers within the State] involves usage of Transmission network or network of more than one licensee, the charges shall be as indicated below:**

i. If only transmission network is used, transmission charges determined by the Commission shall be payable to the Transmission Licensee.

ii. If the Transmission network and the ESCOMs' network is used, Transmission Charges shall be payable to the Transmission Licensee.

Wheeling Charges of the ESCOM where the power is drawn shall be shared equally among the ESCOMs whose networks are used.

Illustration:

If a transaction involves transmission network and HUKERI RECS's network and 100 units are injected, then at the drawal point the consumer is entitled for 84.22 units, after accounting for Transmission loss of 3.162% & HUKERI RECS's distribution loss(Technical) of 13.03%.

The Transmission charge in cash as determined in the Transmission Tariff Order shall be payable to KPTCL & Wheeling charge of 84 paise per unit shall be payable to HUKERI RECS. In case more than one ESCOM is involved, the above 84 paise shall be shared by all the ESCOMs involved.

iii. If distribution licensees' network only is used, the Wheeling Charges of the distribution licensee where the power is drawn is payable and it shall be shared equally among the distribution licensees whose networks are used.

Illustration:

If a transaction involves injection to BESCOM's network & drawal at HUKERI RECS's network, and 100 units are injected, then at the drawal point the consumer is entitled for 86.97 units, after accounting HUKERI RECS's loss of 13.03%.

The Wheeling charge of 84 paise per unit applicable to HUKERI RECS shall be equally shared between HUKERI RECS & BESCO.

4.6.4 Charges for Wheeling of Energy by RE Sources (Non-Rec Route) to Consumers in the State

The separate Orders issued by the Commission from time to time in the matter of wheeling and banking charges for RE sources (non-rec route) wheeling energy to consumers within the State shall be applicable.

4.6.5 Charges for Wheeling Energy by RE Sources Wheeling Energy from the State to a Consumer/Others Outside the State and for those opting for Renewable Energy Certificate[REC]

In case the renewable energy is wheeled from the State to a consumer or others outside the State, the normal wheeling charges as determined in para 4.6.1 and 4.6.3 of this Order shall be applicable. For Captive RE generators including solar power projects opting for RECs, the wheeling charges as specified in the Orders issued by the Commission from time to time shall be applicable.

4.6.6 Banking Charges:

Banking charges as specified in the Orders issued by the Commission from time to time shall be applicable.

4.7 Cross Subsidy Surcharge (CSS):

The Commission in its preliminary observations had directed HRECS to furnish CSS applicable for FY-20 along with working details.

In response to the observations made by the Commission, HUKERI RECS has stated that there are no consumers who are eligible or willing to wheel electricity at 11 kV level and therefore, it would be unnecessary to determine the CSS. HRECS has submitted that the methodology adopted in its earlier Orders could be followed for FY-20 also.

As the Commission has determined a common cross subsidy surcharge for all the ESCOMs, the same shall be applicable to Hukeri RECS also. As such the applicable cross subsidy surcharge is indicated below:

Particulars	Paise/unit	
	66 kV & above	HT level-11 kV/33kV
HT-1 Water Supply	77	31
HT-2a Industries	172	172
HT-2b Commercial	203	203
HT-2 (C)(i)	164	164
HT-2 (C)(ii)	190	190
HT3 (a)(i) Lift Irrigation	0	0
HT3 (a)(ii) Lift Irrigation	0	0
HT3 (a)(iii) Lift Irrigation	0	0
HT3 (b) Irrigation & Agricultural Farms	0	0
HT-4 Residential Apartments	147	147
HT5 Temporary	260	260

Note: wherever CSS is negative, it is made zero

The cross subsidy surcharge determined in this Order shall be applicable to all open access/wheeling transactions in the area coming under HRECS. However, the above CSS shall not be applicable to captive generating plant for carrying electricity to the destination of his own use and for those renewable energy generators who have been exempted from CSS by the specific Orders of the Commission.

The Commission directs the Licensees to account the transactions under open access separately. Further, the Commission directs the Licensees to carry forward the amount realized under Open Access/wheeling to the next ERC, as it is an additional income to the Licensees.

4.8 Additional Surcharge:

As regards additional surcharge, the Commission has determined a common additional surcharge for all the ESCOMs and therefore, the same shall be applicable to HRECS also.

4.9 Other Issues:

4.9.1 Tariff for Green Power:

In order to encourage generation and use of green power in the State, the Commission decides to continue the existing Green Tariff of 50 paise per unit as the additional tariff over and above the normal tariff to be paid by HT-consumers, who opt for supply of green power from out of the renewable energy procured by distribution utilities over and above their Renewable Purchase Obligation (RPO).

4.9.2 Other tariff related issues:

i) Rebate for use of Solar Water Heater:

The Distribution licensees have requested the Commission to continue the Solar water heater rebate to consumers, whereas the consumers have requested to increase the Solar water heaters Rebate. Since the use of Solar Water Heaters is advantageous to both the ESCOMs /HRECS and the consumers, the Commission decides to retain the existing rebate of 50 paise per unit subject to a maximum of Rs.50 per installation per month for use of solar water heaters.

ii) Prompt payment incentive:

The Commission had approved a prompt payment incentive at the rate of 0.25% of the bills amount in respect of:

- (i) in all cases of payment through ECS;
- (ii) in the case of monthly bill exceeding Rs.1,00,000/- (Rs.one lakh), where payment is made 10 days in advance of due date and

(iii) advance payment of exceeding Rs.1000 made by the consumers towards monthly bills.

The Commission decides to continue the same.

iii) Relief to Sick Industries:

The Government of Karnataka has extended certain reliefs for revival/rehabilitation of sick industries under the New Industrial Policy 2001-06 vide G.O. No. CI 167 SPI 2001, dated 30.06.2001. Further, the Government of Karnataka has issued G.O No.CI2 BIF 2010, dated 21.10.2010. The Commission, in its Tariff Order 2002, had accorded approval for implementation of reliefs to the sick industries as per the Government policy and the same was continued in the subsequent Tariff Orders. However, in view of issue of the G.O No.CI2 BIF 2010, dated 21.10.2010, the Commission has accorded approval to the ESCOMs/Hukeri RECS for implementation of the reliefs extended to sick industrial units for their revival / rehabilitation on the basis of the orders issued by the Commissioner for Industrial Development and Director of Industries & Commerce, Government of Karnataka / National Company Law Tribunal (NCLT).

iv) Power Factor(PF):

The Commission in its previous order had retained the PF threshold limit and surcharge, both for LT and HT installations at the levels existing as in the Tariff Order 2005. The Commission decides to continue the same in the present order as indicated below:

LT Category (covered under LT-3, LT-4, LT-5 & LT-6 where motive power is involved): 0.85

HT Category: 0.90

v) Rounding off of KW / HP:

In its Tariff Order 2005, the Commission had approved rounding off of fractions of KW / HP to the nearest quarter KW / HP for the purpose of billing

and the minimum billing being for 1 KW / 1HP in respect of all the categories of LT installations including IP sets. This shall continue to be followed. In the case of street light installations, fractions of KW shall be rounded off to the nearest quarter KW for the purpose of billing and the minimum billing shall be for a quarter KW.

vi) Interest on delayed payment of bills by consumers:

The Commission, in its previous Order had approved collection of interest on delayed payment of bills at 12% per annum. The Commission decides to continue the same in this Order also.

vii) Security Deposit (3 MMD/ 2 MMD):

The Commission had issued the KERC (Security Deposit) Regulations, 2007 on 01.10.2007 and the same has been notified in the Official Gazette on 11.10.2007. The payment of security deposit shall be regulated accordingly.

viii) Mode of Payment by consumers:

The Commission, in its previous Tariff Order had approved payment of electricity bills in cash/cheque/DD of amounts up to and inclusive of Rs. 10,000/- and payment of amounts exceeding Rs. 10,000 to be made only through cheque. The consumers can also make payment of power bills through Electronic Clearing System(ECS)/ Credit card/ online E-payment up to the limit prescribed by the RBI, and the collection of power supply bills above Rupees One lakhs through RTGS / NEFT at the option of the consumer.

The Commission as decided in the Tariff Order 2018 dated 14th May, 2018, in order to encourage the consumers to opt for digital payments in line with the direction of the MOP, Gol, decides to continue to allow Hukeri RECS to collect payment of monthly power supply bill through Electronic clearing system (ECS)/ Debit / Credit cards / **RTGS/ NEFT/ Net Banking through Hukeri RECS / Bank/ Karnataka One websites, on-line E-Payment / Digital mode of payments in line with the guidelines issued and the payment up to the limit**

prescribed by the RBI wherever such facility is provided by the Licensee and allow HRECS to incur and claim the expenditure on such transaction (wherever applicable) in the ARR. **However, the Commission decides to allow HRECS to incur the expenditure on the payment for power supply bills received through Debit / Credit Cards having demand up to Rs.2000/- and below only.**

4.10 Cross Subsidy Levels for FY20:

The Hon'ble Appellate Tribunal for Electricity (ATE), in its Order dated 8th October, 2014, in Appeal No.42 of 2014, has directed the Commission to clearly indicate the variation of anticipated category-wise average revenue realization with respect to overall average cost of supply in order to implement the requirement of the Tariff Policy that tariffs are within $\pm 20\%$ of the average cost of supply, in the tariff orders being passed in the future. It has further directed the Commission to also indicate category-wise cross subsidy with reference to voltage-wise cost of supply so as to show the cross subsidies transparently.

In the light of the above directions, the variations of the anticipated category-wise average realization with respect to the overall average cost of supply and also with respect to the voltage-wise cost of supply of HRECS and the cross subsidy thereon, is Indicated in ANNEXURE- I of this Order. It is the Commission's endeavour to reduce the cross subsidies gradually as per the Tariff policy.

4.11 Effect of Revised Tariff:

As per the KERC (Tariff) Regulations 2000, read with the MYT Regulations 2006, the Hukeri RECS has to file their applications for ERC/Tariff before 120 days of the close of each financial year in the control period. The Commission observes that the Hukeri RECS have filed their applications for revision of tariff on 28th November, 2018. As the tariff revision is effective from 1st April, 2019

onwards, the Hukeri RECS would be recovering revenue as per the revised tariff for the current Financial Year FY20.

A statement indicating the proposed revenue and approved revenue is enclosed vide Annexure-I and detailed tariff schedule is enclosed vide Annexure-II.

4.12 Summary of the Tariff Order:

- The Commission has approved for Hukeri RECS an ARR of Rs.17679.57 lakhs for FY20, which includes the deficit for FY18 of Rs.1595.24 lakhs with a net gap in revenue of Rs.539.94 lakhs as against HRECS's proposed ARR of Rs.23438.51 lakhs.
- The Commission has allowed recovery of the entire gap in revenue with additional revenue of Rs.539.94 lakhs on tariff revision as against the additional revenue of Rs.2331.06 lakhs proposed by HRECS for FY20.
- The Commission has approved for Hukeri RECS an ARR of Rs.20050.02 lakhs and Rs.21462.22 lakhs as against HRECS proposed ARR of Rs.24405.10 lakhs and Rs.27894.70 lakhs for FY21 and FY22 respectively.
- HRECS in its filing dated 27.11.2018 had proposed an increase of 113 paise per unit as against the actual computed increase of 69 paise per unit for all categories of consumers resulting in average increase in retail supply tariff by 11.04%. The Commission has approved an average increase of 19 paise per unit. The average increase in retail supply tariff of all the consumers for FY20 is 3.15%.
- The Commission has allowed recovery of additional revenue, partly by increase in fixed charges ranging from Rs.5 per KW/HP/KVA to Rs.10 per KW/HP/KVA.

- The Commission has allowed recovery of additional revenue, partly by increase in the energy charges in the range of 15 paise per unit to 30 paise per unit.
- Time of the day tariff which was made mandatory in the previous Tariff Orders for installations under HT2 (a), HT2 (b) and HT2(c) with contract demand of 500KVA and above with the inclusion of morning peak period from 06.00 Hrs to 10.00 Hrs is continued in this Order except Railway Traction Installation.
- The Commission in order to boost the energy sales and to attract the consumers to consume power from Hukeri RECS has decided to continue the existing Special Incentive Scheme to HT category during FY20.
- The Commission, has allowed concessional tariff of Rs.6.20 per unit to the Railway Traction installations.
- The energy consumption of Effluent Treatment Plant and Drainage Water Treatment Plants installed within the premises of the consumer's installations by drawing power from the main meter or through sub-meter will be continued to be billed at the respective tariff category for which the power supply is availed for the installation.
- The Commission by considering the environmental and social benefits in processing of the Solid Waste has decided to bill the power supply arranged to Solid Waste Processing Plant under LT/HT Industrial Category.
- The Commission has continued the sub-category of LT-6(c) under LT -6 Tariff Schedule for the power supply arranged to the Electric Vehicle Charging Stations, at reduced rates.
- Green tariff of additional 50 paise per unit over and above the normal tariff, which was introduced a few years ago for HT industries and HT commercial consumers at their option, to promote purchase of renewable energy from ESCOMs, is continued in this Order.

- o The Commission, as decided in the previous tariff Order, has decided to continue to impose penalty upto Rupees one lakh per sub-division on Hukeri RECS if it fails to conduct Consumer Interaction Meetings at least once in three months and such penalty would be payable by the concerned officers of the Hukeri RECS.

ORDER

1. In exercise of the powers conferred on the Commission under Sections 62 and 64 and other provisions of the Electricity Act, 2003, the Commission hereby approves the revised ARR as per APR for FY18 and determines the ARR for FY20-22 and notifies the retail supply tariff of HRECs for FY20 as stated in Chapter-4 of this Order.
2. The tariff determined in this Order shall be applicable to the electricity consumed from the first meter reading date falling on or after 1st April, 2019.
3. This Order is signed dated and issued by the Karnataka Electricity Regulatory Commission at Bengaluru this day, the 30th of May,2019.

Sd/-
(Shambhu Dayal Meena)
Chairman

Sd/-
(H.M. Manjunatha)
Member

Sd/-
(M.D. Ravi)
Member